Background:

TCDD's FY17-FY21 State Plan includes Objective 2.3: Collaborate with three community-based organizations to reduce disparities arising from linguistic and cultural barriers that prevent individuals who are Spanish-speaking from receiving services by 9/30/2021.

Project Development Committee

After discussing the "Disconnected Youth" information provided at the May meeting, the Project Development Committee wanted to explore how the Council might address the needs of disconnected youth in the McAllen-Edinburg-Mission area, an area with extremely high rates of disconnected youth. Per data from the Census Bureau that was analyzed by the Brookings Institution, 13.9% of the youth in this area are disconnected and 34.0% of its residents live in poverty. The Committee will continue this discussion during the meeting.

The Public Policy Committee

House Bill 1527 would have expanded the definition of historically underutilized business (HUB) for purposes of state contracting to include persons with a disability. HB 1527 failed to pass and an amendment with the same provision was rejected by the Texas House of Representatives. The Public Policy Committee will discuss why the amendment failed and consider opportunities and next steps.

Project Development Committee — Agenda Item 6

Expected Action:

The Committee will discuss and may make recommendations to the Council.

Public Policy Committee — Agenda Item 6

Expected Action:

The Committee will discuss and may make recommendations to the Council.

Council — Agenda Item 10

Expected Action:

The Council will consider any Committee recommendations.



85th Texas Legislature: Historically Underutilized Businesses (HUBs)

The Historically Underutilized Business (HUB) Program was originally created to promote full and equal access to procurement opportunities for small and minority owned businesses. The program later expanded to include businesses owned by women and veterans with disabilities. Companies who meet these criteria and are interested in doing business with the state are encouraged to become HUB certified in order to be given first consideration for contracts. House Bill 1527 would have added people with disabilities to the list of groups that currently include people who are Black Americans, Hispanic Americans, American Women, Asian Pacific Americans, Native Americans, and veterans with a 20% service-connected disability. HB 1527 failed to pass.

What happened?

The content of HB1527 was considered as an amendment to a contracting bill during the last days of the 85th Texas Legislature. The amendment failed, 95 no votes to 39 yes votes. Some members objected on the following grounds:

- The HUB program was primarily established to address past discrimination and injustice against racial minorities. (The addition of women and veterans came later.)
- HUB participants are unsatisfied with their current access to state agency contracts.
- Adding people with disabilities could take contracts away from the existing groups included in the HUB program.
- The amendment did not limit the qualifying disabilities for participation in the HUB program. It used the Americans with Disabilities Act definition, which some argued could also include those perceived to have a disability.
- The amendment was not properly vetted. Due diligence requires an interim study on how people with disabilities would benefit from inclusion on the HUB list, and how their inclusion would impact the HUB program and its participants.

tcdd.texas.gov 1 of 2

The debate suggested the need for education about people with disabilities and the employment programs and benefits available to them. Debate highlights include:

- People with disabilities are not discriminated against and don't need the HUB program.
- People with disabilities already have set asides as well as a separate program.
- People with disabilities have sufficient protection under the Americans with Disabilities Act.
- There is no evidence that business owners with disabilities have been left out.
- There is no other expansion of government to include people with disabilities.

Advocacy Opportunities

In the interim, the following actions can help to address these issues and provide opportunities to develop and improve working relationships with other groups facing similar challenges:

- Find out what other states have done.
- Gather statistics about the Texas HUB program.
- Make a recommendation for an interim legislative study.
- Meet with the Texas Black Caucus and the Mexican-American Legislative Caucus to identify whether opportunities exist for future collaboration.

July 12, 2017

tcdd.texas.gov 2 of 2